



12 March 2026

NSW Government

Department of Planning, Housing and Infrastructure

**RE: Association of Insurance Building and Engineering Consultants [AiBEC] Feedback Submission Climate Change and Natural Hazards SEPP**

We kindly submit our feedback submission for your consideration on the proposed Climate Change and Natural Hazards State Environmental Planning Policy (SEPP).

***Introduction, who is AiBEC?***

AiBEC has been established since 2024 as the dedicated, industry-specific organisation supporting professional Engineering and Building Consultants in the Insurance Industry.

The decision to create this industry organisation was in response to reports by several insurance industry inquiries that individually expressed concerns about the significant lack of consistency, professionalism and quality in reporting prepared by engineers and building consultants (AiBEC members) and Builders and other contractors (AiBEC allied supporters) working specifically within the insurance industry and claims.

AiBEC Members, being consulting Engineers and Building Consultants are engaged by insurance companies and their agents such as Loss Adjusters, Builders and Owners to conduct reporting and reinstatement scopes of works to respond to insurance claims and loss that occur to buildings primarily from floods, bush fires, heatwaves and storms increasingly impacting our communities.

AiBEC Allied Supporters, being Insurance Builders and Restoration Companies are engaged insurance companies and their agents such as Loss Adjusters, Builders and Owners to conduct the repairs to buildings following an insurable loss which may consist of emergency make safe, repairs and full reinstatements of buildings to pre-loss condition.

We invite you to view the AiBEC story and journey in animation via the link below:

[The Association of Building & Engineering Consultants \(AiBEC\) Profile AI Story](#)

AiBEC as a specific professional industry-based Association, aims to raise the professional standing of this sector by providing training and professional development opportunities to our members to enable them to deliver the highest possible level of service to their clients and stakeholders.

Ultimately, we represent this growing sector of the Insurance Industry and work to ensure our members are recognised as the preferred professional advisors in matters relating to building and engineering insurance claims.

## ***AiBEC's Current Initiatives Regarding Insurance Repair and Reinstatement Works Including "Building Better Back" Following Damage From Events Such As Fire, Flood, Storm, Impact***

AiBEC is actively and engaged in a number of significant initiatives with the professional objectives in uplifting quality, training and overall betterment in design and repair works within the insurance industry. These initiatives support better claims handling processes following damage from events such as fire, flood, storm, impact as follows:

### **1. AiBEC works with Building Commission NSW**

Collaboratively working with Building Commission NSW and Assistant Building Commissioner Matt Press in developing first Industry "Guide for Insurance Repair Works Guide for Class 2 Strata Buildings in NSW" in compliance with The Design and Building Practitioners Act 2020 and regulations (the DBP legislation).

The objective of this Guide is to assist the insurance sector to understand and meet their obligations in relation the DBP legislation when insurance-related repairs and building works are being required.

We consider this a critical piece of informative documentation for NSW Strata insurance design and building works affected by the DBP, ensuring that clarity, transparency and best practice for all stakeholders is achieved during the claims handling and repair process.

In commencing this Guide, inclusions related to included measures such as:

- What buildings are regulated by the DBP
- What type of building work needs to comply?
- Work that is excluded
- Responding to emergency situations
- Who can prepare a regulated design?
- Insurance repairs and reinstatement building work

In continuing the process of collectively developing the Guide, AiBEC has invited Expressions of Interest from attendees, AiBEC Members and Allied Supporters to form a Technical Committee.

This Committee will assist in developing detailed recommendations for the Guide through "workshops" with [Building Commission NSW](#) in formalising the Guide ahead of the planned mid-2026 launch.

## **2. AiBEC Partners with [University of Sydney, School of Civil Engineering USYD](#)**

AiBEC has partnered with [University of Sydney, School of Civil Engineering USYD](#) in Commencing an Industry Academia Partnership, Commissioning Research & Empirical Study Guide for Escape of Liquid (EOL) in Insurance Claims

EOL or flooding events experienced in insurance claims for residential and commercial buildings are a significant cause of damage, reporting and conflict between insurers and insureds, in particular, in external dispute resolution (EDR) including warrantability of repairs including "building better back".

Given the effects of ground movement relating to the wetting of the ground and extent and zone of influence of the effect relative to resulting building movement and damage.

The main objective of this research study is to move away from opinion-based assessments and create a scientific, empirical basis for evaluating damage from "escape of liquid" incidents like burst pipes or flooding.

One of the major issues of contention with insurance claims relates to the movement of buildings that have been subject to escape of liquid or flooding events.

In a flood or after a pipe has leaked, the ground may move or not move due to its exposure to moisture or saturation, and currently there is no empirical guideline that all stakeholders can use to determine what is damaged, whether it was damaged and therefore to enable the Insurer to make a qualified decision on policy response.

By partnering with The [University of Sydney, Faculty of Engineering - University of Sydney](#), AiBEC aims to develop an independent, transparent and Empirical Engineering Guide to The Effects of Moisture Exposure and Water Saturation from Flooding or an Escape of Liquid for use within the insurance industry and in the claims handling process and assessment.

The objective is to create a credible independent guideline or basis for all stakeholders, bringing academia into the process – an impartial body that has no vested interest in the outcomes – allows the guidelines to draw purely on the science and engineering.

We consider the outcome of the research will be truly innovative. This commissioned study project will include experimental, laboratory testing, engineering and numerical simulations taking (12) months and will be led by Prof. [Yixiang Gan](#) & Prof. [David Airey](#) of Civil Engineering, [Faculty of Engineering - University of Sydney](#).

AiBEC represent professionals who routinely apply the SEPP to existing buildings, particularly in the context of insurance-related repair, reinstatement, and remediation works following damage from events such as fire, flood, storm, impact and structural failure including emergency or “make safe” conditions.

This work is commonly undertaken in constrained, time-critical environments involving legacy construction, partial damage, and pre-existing non-conforming elements

As such, we respectfully provide our feedback in response to identified AiBEC specific and related changes sought to the SEPP as per the NSW Government, Department of Planning, Housing and Infrastructure - Climate Change and Natural Hazards State Environmental Planning Policy Explanation of Intended Effect February 2026 as follows:

### ***Proposed Changes***

#### ***Feedback sought - A clearer, simpler and consistent approach to climate change and natural hazards***

- ***Do you support the proposal to introduce an overarching climate risk clause in the CC&NH SEPP?***
- ***What additional guidance or supporting materials would be needed to implement the CC&NH SEPP?***
- ***Should projects under Division 5.1 (Part 5) also consider climate risk and how should the proposed Climate Change Scenario Guidelines be used in the preparation of a Review of Environmental Factors (REF)?***

### **AiBEC's Feedback**

We are in support of the proposal and consider it an important revision in view of responding to natural disasters and repair works under insurance related conditions and response.

AiBEC is in full support that the proposed SEPP will address uplift in rebuilding after natural disasters including general insurable losses to ensure cost to life, property, and environment are mitigated.

We consider that the experience of our Members and Allied Supporters who works specifically within the insurance industry attending insurance claims arising from natural hazards, particularly flood and bush fire further exacerbate the already volatile housing market in NSW, rendering many houses uninhabitable or uninsurable.

As an Association, we are respectful and commercially considerate that rebuild is costly and time exhaustive and puts further strain on temporary housing accommodation options and look forward to a revised SEPP that takes the above into account for the betterment of all stakeholders.

## ***Proposed Changes***

### ***Feedback sought - Rebuilding after natural disasters***

- ***Are there specific circumstances where build back better should not be pursued?***
- ***Would councils like to opt in to adopt clause 5.9?***
- ***Are there additional ways the planning framework could address rebuilding post disaster?***

## ***AiBEC's Feedback***

AiBEC submits that the SEPP would benefit from clearer differentiation and planning framework between new construction and repair, reinstatement, and partial building works, in particular a specific inclusion or clause relating to **emergency or make safe repairs** following an insurable event.

The absence of explicit guidance or planning for damage and repairs to an existing building when significant emergency repairs are required to “make safe” and mitigate further damage to a building following a natural disaster or insurable event occurrence.

We consider such repairs which are structural in nature such a roof replacement following a storm/cyclone, tree impact or resulting fire damage in a building should be considered under an exempt or fast track planning provision and framework under a proposed SEPP consideration given their dual “make safe” and finalised repair actions can take place at the same time.

At present, where structural roof works are required to finalise reinstatement, constraint and flexibility around the definitions and allowance of “make safe” works around roofing or other structural elements that can be repaired immediately and are critical to the mitigating further loss has to date leads to inconsistent interpretation, disputes between stakeholders, and unnecessary cost escalations.

AiBEC recommends:

- Development of a dedicated “make safe” framework for repair and reinstatement works in response to insurable losses and natural disasters to buildings addressing:
  - Like-for-like reinstatement principles in attending to finalised reinstatement in the “make safe” process, in particular for roof damage as a dedicated “make safe” provision within the SEPP.
  - Partial compliance and upgrade triggers detailed within a dedicated “make safe” provision within the SEPP.
  - Treatment of pre-existing non-conforming elements dedicated “make safe” provision within the SEPP.
  - Inclusion of worked examples and technical case studies relevant to common insurance damage scenarios, including fire, flood, storm, impact and subsidence.
  - Clarification of commonly misinterpreted terminology, including alteration, upgrade, affected element, and performance requirement.

These measures would improve certainty, reduce disputes, and enable consistent application to the proposed SEPP in real-world repair contexts regarding insurance work and repairs in response to insurable losses and natural disasters.



### ***Closing Statement***

Addressing climate change and natural hazards reality will directly support the NSW Government's objectives in this relating to this Climate Change and Natural Hazards State Environmental Planning Policy revision.

We respectfully provide our feedback with a view to contributing to the envisaged uplift in productivity, housing supply, disaster resilience, and insurance affordability, ultimately enhancing the insurance claims handling process for all stakeholders.

AiBEC and its committee welcome continued engagement with NSW Government Department of Planning, Housing and Infrastructure as these reforms progress.

We look forward to being an integral part of the updated SEPP. Should you require further information or clarifications on our feedback submission particularly regarding our professional efforts to improve insurance expectations in reconstruction in response to damage specifically caused by insurable events and natural disasters, we welcome such opportunity to assist.

Should you require further information or elaboration, please contact AiBEC CEO – Tony Libke – [admin@aibec.co](mailto:admin@aibec.co)

Kind Regards,

Tony Libke – CEO AiBEC